

111TH CONGRESS
1ST SESSION

H. R. 4236

To amend the Internal Revenue Code of 1986 to provide a temporary exclusion of 100 percent of the gain on the sale or exchange of certain small business stock.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 8, 2009

Mr. LEVIN introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide a temporary exclusion of 100 percent of the gain on the sale or exchange of certain small business stock.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. TEMPORARY EXCLUSION OF 100 PERCENT OF**
4 **GAIN ON CERTAIN SMALL BUSINESS STOCK.**

5 (a) IN GENERAL.—Subsection (a) of section 1202 of
6 the Internal Revenue Code of 1986 (relating partial exclu-
7 sion for gain from certain small business stock) is amend-
8 ed by adding at the end the following new paragraph:

1 “(4) 100 EXCLUSION FOR STOCK ACQUIRED
2 DURING 2010.—In the case of qualified small busi-
3 ness stock acquired during 2010—

4 “(A) paragraph (1) shall be applied by
5 substituting ‘100 percent’ for ‘50 percent’,

6 “(B) paragraph (2) shall not apply, and

7 “(C) paragraph (7) of section 57(a) shall
8 not apply.”.

9 (b) CONFORMING AMENDMENT.—Paragraph (3) of
10 section 1202 (a) of such Code is amended—

11 (1) by striking “AND 2010” in the heading, and

12 (2) by striking “January 1, 2011” and insert-
13 ing “January 1, 2010”.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to stock acquired after December
16 31, 2009.

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